

**49.602**

(2) Invoice acceptable completed end items under the contract in the usual way and do not include them in the settlement proposal.

(f) *Patents.* If required by the contract, promptly forward the following to the Contracting Officer:

(1) Disclosure of all inventions, discoveries, and patent applications made in the performance of the contract.

(2) Instruments of license or assignment on all inventions, discoveries, and patent applications made in the performance of the contract.

(g) *Employees affected.* (1) If this termination, together with other outstanding terminations, will necessitate a significant reduction in your work force, you are urged to—

(i) Promptly inform the local State Employment Service of your reduction-in-force schedule in numbers and occupations, so that the Service can take timely action in assisting displaced workers;

(ii) Give affected employees maximum practical advance notice of the employment reduction and inform them of the facilities and services available to them through the local State Employment Service offices;

(iii) Advise affected employees to file applications with the State Employment Service to qualify for unemployment insurance, if necessary;

(iv) Inform officials of local unions having agreements with you of the impending reduction-in-force; and

(v) Inform the local Chamber of Commerce and other appropriate organizations which are prepared to offer practical assistance in finding employment for displaced workers of the impending reduction-in-force.

(2) If practicable, urge subcontractors to take similar actions to those described in subparagraph (1) above.

(h) *Administrative.* The contract administration office named in the contract will identify the Contracting Officer who will be in charge of the settlement of this termination and who will, upon request, provide the necessary settlement forms. Matters not covered by this notice should be brought to the attention of the undersigned.

(i) Please acknowledge receipt of this notice as provided below.

\_\_\_\_\_  
(Contracting Officer)

\_\_\_\_\_  
(Name of Office)

**48 CFR Ch. 1 (10–1–07 Edition)**

(Address)

*Acknowledgment of Notice*

The undersigned acknowledges receipt of a signed copy of this notice on \_\_\_\_\_, 20\_\_\_\_. Two signed copies of this notice are returned.

\_\_\_\_\_  
(Name of Contractor)

By \_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

(End of notice)

*Alternate notice.* If no prior telegraphic notice was issued, substitute the following paragraph (a) for paragraph (a) of the notice above:

(a) *Effective date of termination.* You are notified that Contract No. \_\_\_\_\_ (referred to as “the contract”) is terminated [insert “completely” or “in part”] for the Government’s convenience under the clause entitled [insert title of appropriate termination clause]. The termination is effective [insert either “immediately upon receipt of this Notice” or “on \_\_\_\_\_, 20\_\_\_\_,” or “as soon as you have delivered, including prior deliveries, the following items:” (list)]. Reduce items to be delivered as follows: [insert instructions].

[48 FR 42447, Sept. 19, 1983, as amended at 65 FR 36031, June 6, 2000]

**49.602 Forms for settlement of terminated contracts.**

The standard forms listed below shall be used for settling terminated prime contracts. The forms at 49.602–1 and 49.602–2 may also be used for settling terminated subcontracts. Standard forms are illustrated in subpart 53.3.

**49.602–1 Termination settlement proposal forms.**

(a) Standard Form 1435, Settlement Proposal (Inventory Basis), shall be used to submit settlement proposals resulting from the termination of fixed-price contracts if the proposals are computed on an inventory basis (see 49.206–2(a)).